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**Fifteenth Judicial District Court  
Judicial Expense Fund**

**FINANCIAL STATEMENTS**

**June 30, 1999**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-2-00

FIFTEENTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND

ANNUAL SWORN FINANCIAL STATEMENTS AS OF  
AND FOR THE YEAR ENDED JUNE 30, 1999  
WITH APPROPRIATE SUPPLEMENTAL INFORMATION

**AFFIDAVIT**

Personally came and appeared before the undersigned authority, Judge Don Aaron, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Fifteenth Judicial District Court Judicial Expense Fund as of June 30, 1999 and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

*Judge Don Aaron, Jr.*  
Signature

Sworn to and subscribed before me, this 29<sup>th</sup> day of December, 1999.

*Barbara W. Raymond*  
Notary Public

---

Officer: Judge Don Aaron  
Address: P. O. Box 1980  
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**Fifteenth Judicial District Court  
Judicial Expense Fund**

General Purpose Financial Statements  
and Independent Auditor's Report  
As of and For the Year Ended June 30, 1999

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Independent Auditor's Report on the Financial Statements

The Honorable Don Aaron  
Fifteenth Judicial District Court  
Judicial Expense Fund  
Crowley, Louisiana

I have audited the accompanying general purpose financial statements that do not include a statement of revenues, expenditures, and changes in fund balances – budget and actual, for the general fund and special revenue fund type of the Fifteenth Judicial District Court Judicial Expense Fund as of and for the year ended, June 30, 1999, as listed in the foregoing table of contents. These financial statements are the responsibility of the Fifteenth Judicial District Court Judicial Expense Fund's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

Except as discussed in the following paragraphs, I conducted the audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States and the Louisiana Governmental Audit Guide. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that the audit provides a reasonable basis for my opinion.

The Fifteenth Judicial District Court Judicial Expense Fund declined to present a statement of revenues, expenditures and changes in fund balances – budget and actual, for the general fund and special revenue fund type for the year ended June 30, 1999. Presentation of such statements for those governmental funds for which budgets have been legally adopted is required by generally accepted accounting principles.

The 15<sup>th</sup> Judicial District Court Judicial Expense Fund has not presented the disclosures required by the Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, as amended by Governmental Accounting Standards Board Technical Bulletin 99-1, that the Governmental Accounting Standards Board has determined are necessary to supplement, although not be a part of, the basic financial statements. In addition, I do not provide assurance that the 15<sup>th</sup> Judicial District Court Judicial Expense Fund is or will become year 2000 compliant, that their year 2000 remediation efforts will be successful in whole or in part, or that parties with which the fund does business are or will become Year 2000 compliant.

Independent Auditor's Report

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In my opinion, except for the omission of the information discussed in the preceding paragraphs, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Fifteenth Judicial District Court Judicial Expense Fund as of June 30, 1999, and the results of its operations and the changes in fund balance for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated December 28, 1999 on my consideration of the fund's internal control over financial reporting and tests of compliance with certain provisions of laws and regulations.

  
Certified Public Accountant / APAC

December 28, 1999

Fifteenth Judicial District Court  
Judicial Expense Fund  
All Fund Types and Account Groups  
COMBINED BALANCE SHEET  
June 30, 1999

	<u>Governmental Fund Types</u>		<u>Account Group</u>	(memo only) Totals
	<u>General</u>	<u>Special Revenue</u>	<u>General Fixed Assets</u>	
<b><u>ASSETS</u></b>				
Cash	\$ 91,557	\$ 413,311		\$ 504,868
Certificates of deposit	1,369,000	500,000		1,869,000
Accounts receivable	27,910			27,910
Accrued interest	5,687	3,700		9,387
Prepaid items	48,580	17,742		66,322
Furniture and equipment			637,000	637,000
Total Assets	<u>\$ 1,542,734</u>	<u>\$ 934,753</u>	<u>\$ 637,000</u>	<u>\$ 3,114,487</u>

**LIABILITIES AND EQUITY**

LIABILITIES

Accounts payable	\$ 160,148	\$ 52,484		\$ 212,632
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EQUITY:

Investment in general fixed assets			637,000	637,000
Fund balance - undesignated	1,382,586	882,270		2,264,855
Total Liabilities & Equity	<u>\$ 1,542,734</u>	<u>\$ 934,753</u>	<u>\$ 637,000</u>	<u>\$ 3,114,487</u>

The accompanying notes are an integral part of this statement

Fifteenth Judicial District Court  
 Judicial Expense Fund  
STATEMENT OF REVENUES AND EXPENDITURES  
 For the Year Ended June 30, 1999

REVENUES	General	Special Revenue	(memo only) Totals
Acadia Parish court fees	\$ 35,976	\$	\$ 35,976
Lafayette Parish court fees	112,600		112,600
Vermilion Parish court fees	27,484		27,484
Interest income	72,245	25,146	97,391
Bond forfeitures	125,966		125,966
Other income	1,114	1,636	2,751
Administrative collection fees		357,454	357,454
Total revenues	375,385	384,236	759,621
<b>EXPENDITURES</b>			
Professional services	29,645	3,064	32,709
Ad hoc judges' expenses	17,775		17,775
Court Delay Reduction program	13,161		13,161
Dues and subscriptions	8,182	578	8,760
Family Tree grant		12,000	12,000
Compensation supplements & benefits:			
Bookkeeper, secretarial, and administration	58,988	53,860	112,848
Court reporters	4,184	22,856	27,040
Hearing officers		85,000	85,000
Insurance - Law clerks	39,046		39,046
Equipment capital outlay	90,344	6,417	96,761
Insurance	12,174		12,174
Judges' meetings	4,115		4,115
Library expense	8,422		8,422
Miscellaneous	9,167		9,167
Office expenses, services and small equipment	46,698	6,516	53,214
Parking fees	8,900	945	9,845
Postage	6,745	941	7,686
Security/alarm expense/guard	40,733		40,733
Software and training	5,346		5,346
Telephone & fax	25,546		25,546
Travel and seminars	44,638	2,447	47,085
Uniforms and robes	1,355		1,355
Total expenditures	475,164	194,625	669,789
Excess (Deficit) of Revenues Over Expenditures	\$ (99,779)	\$ 189,612	\$ 89,832

The accompanying notes are an integral part of this statement

Fifteenth Judicial District Court  
Judicial Expense Fund  
STATEMENT OF CHANGES IN FUND BALANCE  
For the Year Ended June 30, 1999

	<u>General</u>	<u>Special Revenue</u>	<u>(memo only) Totals</u>
BALANCE - beginning	\$ 1,482,365	\$ 692,658	\$ 2,175,023
Excess (Deficit) - Revenues Over Expenditures	<u>(99,779)</u>	<u>189,612</u>	<u>89,832</u>
BALANCE - ending	<u>\$ 1,382,586</u>	<u>\$ 882,270</u>	<u>\$ 2,264,855</u>

The accompanying notes are an integral part of this statement

Fifteenth Judicial District Court Judicial Expense Fund  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - INTRODUCTION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**INTRODUCTION**

The Fifteenth Judicial District Court Judicial Expense Fund was created by ACT NO. 108 effective July 11, 1982 with the following specific provisions:

- (1) Monies earmarked for the Fund are collected by the parishes of Acadia, Lafayette, and Vermilion and submitted to the Fund on a monthly basis.
- (2) The judges may fix and pay from the Fund, each of their court reporter's salary.
- (3) The judges may appoint and pay from the Fund such secretarial, clerical, research, administrative or other personnel as they deem necessary to expedite the business and function of the court.
- (4) The judges may pay all or part of the cost of a law library for the court from money in the fund.
- (5) The judges may utilize money from the Fund, to buy and/or maintain any type of equipment, supplies, or other items consistent with or germane to the efficient operation of the court.
- (6) Prohibited any salary being paid to the Judges out of the Fund.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A: Basis of Presentation:**

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and reporting principles for state and local governments and their agencies.

**B: Fund Accounting:**

The fund uses accounts organized on the basis of a fund (General Fund and Special Revenue Fund) and an account group (fixed assets), each of which is a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. Resources are accounted for in individual funds or account groups based on the purposes for which they are to be spent. The Judicial Expense Fund's General Fund is the general operating fund and accounts for all financial activities and resources of the fund. The Special Revenue Fund (Child Support Fund) consists of fees collected pursuant to the enforcement of court ordered child support agreements and disbursements made. On the other hand, an account group is a financial reporting device

Fifteenth Judicial District Court Judicial Expense Fund  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - INTRODUCTION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES, continued**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

**B: Fund Accounting, continued:**

designed to provide accountability for certain assets and liabilities that are not otherwise reported because they do not directly affect net expendable financial resources. The fund's furniture and equipment appear in the Fixed Asset group. The account group is not a fund, it is only a measurement of financial position and does not involve measurement of results of operations.

**C: Reporting Entity:**

For financial reporting purposes, the fund includes all funds, account groups, activities, etc. that are controlled by the Fifteenth Judicial District Court Judicial Expense Fund. The fund is considered a separate governmental reporting entity. Included as a special revenue fund is the Child Support Fund described in note F below.

**D: Basis of Accounting and Measurement Focus:**

The financial and accounting reporting treatment applied to a fund is determined by its measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of the funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period. Expenditures are recorded when the related fund liability is incurred.

Revenues:

Court fees, bond forfeitures and Child Support Administrative fees are recorded in the month earned, regardless of when collected. Interest is recorded when earned, regardless of when the related time deposit matures.

Expenditures:

Expenditures are recognized as the related fund liability or payment obligation is incurred, regardless of when payment to the vendor is made.

**E: Budget Practices:**

The fund adopted a cash basis budget for the year ended June 30, 1999 and did not make subsequent amendments during the year. It is different in form when compared to the fund's financial statement presentation and account groupings, so comparative information is not presented in this report.

Fifteenth Judicial District Court Judicial Expense Fund  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - INTRODUCTION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES, continued**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

F: Total Column on Balance Sheet:

The total column on the balance sheet is captioned Memo Only to indicate that it is presented only to facilitate financial analysis. The data in this column does not present financial position in conformity with generally accepted accounting principles and is not comparable to a consolidation.

G: Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

H: Fixed Assets:

Fixed assets are recorded as expenditures at the time purchased and the related assets are capitalized in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

**NOTE B - FURNITURE & EQUIPMENT**

The following is a summary of office furniture and equipment acquisitions during the year ended June 30, 1999:

	<u>Jud. Exp Fund</u>	<u>Child Spt Fund</u>
Computer equipment	\$ 23,479	\$ 6,417
Security equipment	34,600	
Other office furniture and courtroom equipment	32,265	
Totals	<u>\$ 90,344</u>	<u>\$6,417</u>

Computer equipment and software purchased prior to 1996 represents approximately \$123,000 of the \$637,000 total office furniture and equipment items shown in the general fixed asset account group.

**NOTE C - BOND FORFEITURE INCOME**

This source of funds was instituted by LSA R.S. 15:571.11 for bond forfeitures after June 22, 1993. The statute provides that 2% of all judgments of bond forfeiture collected by the district attorney shall be paid to the court fund of the parish where the bond was posted.

Fifteenth Judicial District Court Judicial Expense Fund

**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - CERTIFICATES OF DEPOSIT AND CASH IN BANKS**

Deposits are allowed in state banks organized under Louisiana law and national banks having their principal offices in Louisiana. State law requires deposits be fully collateralized at all times using federal deposit insurance and/or the market value of pledged securities held by an unaffiliated bank or trust company for the account of the agency.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by FDIC insurance or collateral held in the fund's name.

Category 2 includes deposits covered by collateral held by the pledging bank's trust department in the Judicial Expense Fund's name.

Category 3 includes deposits covered by collateral held by the pledging bank or trust department but not in the Judicial Expense Fund's name and any deposits which are uninsured or uncollateralized.

At June 30, 1999 certificates of deposit owned by the fund are listed below. They have dates of maturity of one year or less ranging from July, 1999 to April, 2000.

<u>DEPOSITED WITH</u>	<u>RATE</u>	<u>Judicial Exp Fund</u>	<u>RATE</u>	<u>Child Support Fund</u>
Rayne Building and Loan	5.00%	\$100,000		
Rayne State Bank	5.30%	100,000		
Evangeline Bank & Trust	5.10%	98,000	5.35%	\$ 100,000
Home Savings & Loan	4.85%	100,000	4.85%	100,000
Whitney National Bank	5.25%	90,000	4.55%	100,000
Crowley Building and Loan	5.15%	95,000		
Lafayette Bldg. Association	3.96%	100,000		
FirstBank	5.25%	99,000		
Bank of Commerce & Trust	5.15%	100,000		
Hibernia National Bank	5.25%	95,000		
Mid-South National Bank	5.25%	95,000		
Abbeville Building & Loan	5.00%	98,000	5.00%	100,000
Iberia Savings Bank	3.39%	99,000	4.36%	100,000
Gulf Coast Bank	4.75%	100,000		
		\$1,369,000		\$500,000

All of the above certificates of deposit were insured from credit risk by FDIC insurance (category 1).

At June 30, 1999 the Judicial Expense Fund, maintaining separate accounts from the Child Support Fund, had \$96,753 in collected balances on deposit in it's checking account and an \$100,000 CD at the Bank of Commerce. These deposits were secure from risk by \$200,000 of federal deposit insurance (category 1) and \$196,562 of market valued pledged bank securities (category 3). The Child Support Fund's operating checking account had \$416,665 collected balance at June 30, 1999. This was secure from risk by \$100,000 FDIC insurance (category 1) and \$440,907 of market valued pledged bank securities (category 3).

Fifteenth Judicial District Court Judicial Expense Fund  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at June 30, 1999:

	Clerk of Court	Sheriff	Totals
Acadia Parish	\$ -	\$ 1,405	\$ 1,405
Lafayette Parish	4,315	2,005	6,320
Vermilion Parish	1,810	710	2,520
Subtotal	\$ 6,125	\$ 4,120	\$ 10,245
Other			7,102
Bond Forfeiture Income - 2nd quarter, 1999			10,563
Total accounts receivable			\$ 27,910

**NOTE F - FIFTEENTH JUDICIAL DISTRICT COURT CHILD SUPPORT FUND**

The Child Support Fund was established in January, 1994 in accordance with Louisiana Statute R.S. 46:236.5. It collects support payments on behalf of guardians who are being assisted by state aid. The Child Support Fund is authorized to receive payment of nonsupport funds on behalf of the State of Louisiana. It is also authorized to collect an administrative fee of no greater than 5% of the funds due. The actual percentage collected by this unit was approximately 4%, reflecting a reduction of 1% from January, 1997 until September, 1999, when it was increased back to 5%. The fees are used to fund the administrative cost of the expedited processing system and will be partially fund costs associated with a segregated family court within the 15th Judicial District Court.

**NOTE G - ACCOUNTS PAYABLE**

The details at June 30, 1999 are as follows:

	Judicial Exp Fund	Child Support Fund
Trade accounts payable	\$33,521	\$ 22,484
Court Delay Reduction Program	9,275	
Security guard costs 1997-1999	30,000	30,000
Accrued compensation fund reimbursement	4,328	
Families in Need of Services	83,025	
Total	\$160,148	\$52,484

Fifteenth Judicial District Court Judicial Expense Fund  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - ACCOUNTS PAYABLE, continued**

The Fifteenth Judicial District Court has been appointed as administrator of Families in Need of Services, a program to prevent children with disciplinary problems from entering the juvenile court system by counseling with parents or other agencies to correct behavioral problems. The Judicial Expense Fund, acting as administrative agent, received and disbursed the following with the remainder included in accounts payable at June 30, 1999 to fund compensation of the agency's appointed officers.

	FYE 6/30/99	FY'sE 6/30/95,96,97 & 98	Totals at June 30, 1999
Received	\$ 28,000	\$ 132,619	\$ 160,619
Disbursed	1,585	76,009	77,594
Balance	\$ 26,415	\$ 56,610	\$ 83,025

**NOTE H - FEES, COMPENSATION SUPPLEMENTS & REIMBURSEMENTS**

The Fifteenth Judicial District Court Judicial Expense Fund's general fund has no full-time employees. Personnel assigned to the judiciary include secretaries, a receptionist, and court reporters. The personnel are paid by the respective three parishes of the Fifteenth Judicial District. Some supplements and reimbursements are funded by the Judicial Expense Fund's General Fund via payment to the respective parish governments. These reimbursements include wages, insurance and retirement benefit costs. Compensation paid to law clerks assigned to the judiciary is established by the state and funded by other agencies. The Judicial Expense Fund pays health insurance premiums for the law clerks. Secretarial staff are compensated for additional duties such as bookkeeping and in the capacity of the rotating chief judge's secretary.

The employees working in the administrative offices of the Child Support Fund include hearing officers, clerical staff, and court reporters. They are paid by the local parish government with full reimbursement from the Child Support Fund for their salaries and benefits. Disclosures relating to the benefit plans should be available in the financial statements of the three parish governments.

**NOTE I - CONTINGENCIES**

Secretarial and clerical support staff of the Fifteenth Judicial District Court and The Child Support Fund are paid by the respective parish's police jury or consolidated government. The judges of the district en banc are working to provide parity and uniformity in compensation and benefits. To date, it is uncertain if compensation has been provided in accordance with established policy. Additionally, it is uncertain which agency would be responsible if a liability exists. The amount of any potential liability has not yet been determined.

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Exhibit A

**Report on Compliance and on Internal Control over Financial Reporting**  
**Based on an Audit of the General Purpose Financial Statements**  
**Performed in Accordance with *Government Auditing Standards***

Judges of the Fifteenth Judicial District Court  
Judicial Expense Fund

I have audited the general purpose financial statements of the Fifteenth Judicial District Court Judicial Expense Fund as of and for the year ended June 30, 1999, and have issued my report thereon dated December 28, 1999. I conducted the audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Fifteenth Judicial District Court Judicial Expense Fund's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of the audit and, accordingly, I do not express such an opinion. The results of tests disclosed no material instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control over Financial Reporting**

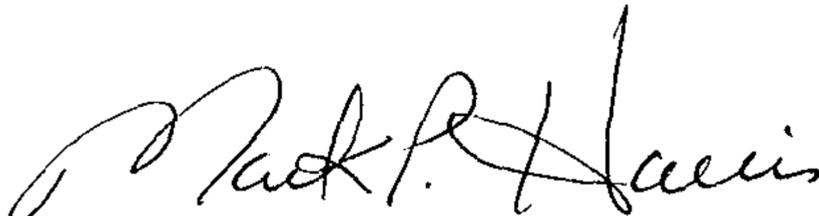
In planning and performing our audit, I considered the Fifteenth Judicial District Court Judicial Expense Fund's internal control over financial reporting to determine auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions.

Judges of the Fifteenth Judicial District Court  
Judicial Expense Fund  
Exhibit A

Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the Fifteenth Judicial District Court Judicial Expense Fund's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as findings 99-01 and 99-02.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe none of the reportable conditions described above are a material weakness.

This report is intended for the information and use of the Fifteenth Judicial District Court Judicial Expense Fund and its management, the judges en banc and the Louisiana legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

  
Certified Public Accountant / APAC

December 28, 1999

**Fifteenth Judicial District Court Judicial Expense Fund**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 1999**

**Part I – Summary of Auditor’s Results**

1. A qualified opinion was issued on the general purpose financial statements of the Judicial Expense Fund as of June 30, 1999.
2. Tests of internal control over financial reporting based on an audit of general purpose financial statements performed in accordance with *Government Auditing Standards* disclosed reportable conditions involving the internal control over financial reporting and its operation. These reportable conditions are described in Findings 99-01 and 99-02. These findings are not considered to be a material weakness.
3. Tests of compliance based on an audit of the general purpose financial statements performed in accordance with *Government Auditing Standards* disclosed no material instances of noncompliance that are required to be reported under *Government Auditing Standards*.
4. Prior year audit findings are listed in the accompanying schedule of prior year findings.

**Part II – Findings Related to the Financial Statements Which are Required to be Reported Under *Government Auditing Standards***

**Finding 99-01 – Deficiency in Budgeting**

Annual budgets and interim financial statements were not prepared in a manner that would parallel each other to allow comparison of actual expenditures to the approved budgeted amounts and amendment when required. The initial budget approved en banc included broad categories or allowances, was on the cash basis and repeats much of the prior year financial and budget information with little modification. The judges en banc do not monitor or amend the adopted budget or actively participate in year-round budgeting and measuring processes.

**Finding 99-02 – Deficiency in Expenditure Approvals and Centralized Disbursements**

Expenditures approved during the year by the judges en banc and documented in minutes are not recorded as encumbrances and not always tracked through to the disbursement. The record of approval does not provide sufficient detail of the intended expense such as the period covered, when to disburse the funds, or which fund (the judicial expense fund or the child support fund) is responsible and controls do not always insure timely disbursement. Communication with other agencies regarding shared costs should be improved and follow-up notations provided in the minutes or interim financial report. Some office expenses are paid directly to vendors while at times others are reimbursed upon submission of requests from individual judges. Centralized purchasing provides increased control over compliance with sales tax exemption, uniform receipt documentation, and disbursements to vendors.

**Fifteenth Judicial District Court Judicial Expense Fund**  
**Schedule of Prior Year Findings**  
**For the Year Ended June 30, 1999**

**Part I – Internal Control and Compliance Material to the Financial Statements**

**Finding 98-01 – Deficiency in Budgeting**

Annual budgets and interim financial statements were not prepared in a manner that would parallel each other to allow comparison of actual expenditure transactions to the approved budgeted amounts and amendment when required. The initial budget approved en banc included broad categories or allowances and was on the cash basis. Consequently, the judges en banc are not involved in the year-round budgeting and measuring process.

**Current Status** – Public hearing was held but budget amendment process still not implemented due to time and personnel limits. Court administrator was hired during past year and is now becoming more involved with the financial reporting process. Bookkeeper will be instructed to prepare timely financial statements and amended budget(s) for approval during the year.

**Finding 98-02 – Deficiency in Expenditure Approvals**

Expenditures approved during the year by the judges en banc and documented in minutes are not recorded as encumbrances and not always tracked through to the disbursement. The record of approval does not provide sufficient detail of the intended expense such as the period covered, when to disburse the funds, or which fund (the judicial expense fund or the child support fund) is responsible and controls do not always insure timely disbursement. Communication with other agencies regarding shared costs should be improved and follow-up notations provided in the minutes or interim financial reports.

**Current Status** – Inquires were made and payments processed as necessary in January, 1999. Continuing problem is created by on going negotiations with local parish government to obtain an understanding of how much in shared security guard costs are to be split among agencies using the courthouse. A court administrator was hired this past year and is abreast of the negotiations. Problem also exists in timely reimbursement to other agencies for compensation paid on behalf of the Judicial Expense Fund for court reporters, etc. Bookkeeper will be instructed to provide periodic report to court administrator for review during the year and administrator will work to improve communication and timeliness of receipt of invoicing from affected agencies.

**Part II – Management Letter**

**98-01 & 98-03 Deficiency in Budgeting** -described above

**98-04 Deficiency in Investments** – certificates of deposit reduced to one year maturity or less.

**98-05 Meal receipts** – findings communicated to judges en banc and compliance improved.

**Fifteenth Judicial District Court Judicial Expense Fund**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 1999**

**Part I – Internal Control and Compliance Material to the Financial Statements**

**Finding 99-01 – Deficiency in Budgeting**

Responsible person: Judge Don Aaron, Jr., representative of Judges En Banc

Corrective action planned: The judges have hired a court administrator who is beginning to be involved with the financial reporting process and will take steps necessary to expand the budget process beyond just the required public hearing to include periodic review and amendment in the current fiscal year-end.

Anticipated completion date: June 30, 2000

**Finding 99-02 – Deficiency in Expenditure Approvals and Centralized Disbursements**

Responsible person: Judge Don Aaron, Jr., representative of Judges En Banc

Corrective action planned: The judges have hired a court administrator to assist with the implementation of expenditure approval guidelines, separation of duties and review procedures to monitor timely payment. Change in chief judge responsibilities may alter negotiations with other local agencies regarding shared security guard costs and timing of payments. Communication to judges will be made regarding centralized purchasing and disbursements.

Anticipated completion date: June 30, 2000.